



Dear Valued Hercules Customers,

May 29, 2014

Toward the end 2012, Oatey finalized the acquisition of the Hercules Chemical Products Company. In 2013 we began to transition the manufacturing of these products out of the Passaic New Jersey facility and into Oatey facilities. One of the last products to be moved was the Johni-Ring. Production was moved into Oatey's Omaha facility. The Omaha facility has decades of expertise in production of Oatey and Harvey brand wax rings.

To utilize the manufacturing capability of the Omaha facility, the Hercules Johni-Ring had to be injected into a plastic tray. In an effort to offset the features of a bag, an engineering effort was conducted to enhance the tray and add a release agent to promote a "Clean Release" tray exclusively to the Hercules Johni-Ring. As a result of this conversion, a number of issues have arisen that we have corrected or are in the process of addressing:

1. The release agent used to achieve the "Clean Release" feature is staining the carton.  
Action: Upgrade the release agent application equipment to minimize overspray.  
Completion: This was implemented on 3/19/14 and the results have nearly eliminated the staining of the carton. It is important to note that this staining is not the result of the wax melting or running out of the tray. The wax has been tested at elevated temperatures and will not melt below 145°F.
2. The new tray shows sign of cracking at one of the eight tear notches around the edge of the tray.  
Action: Remove four tear notches from tray lip to strengthen the tray during shipping.  
Completion: We anticipate converting the design to a four notch tray by mid-June.
3. Inner cartons are flimsy and not protecting the wax.  
Action: Redesign the inner carton to be more structurally sound. This change should also prevent the cartons from inadvertently opening.  
Completion: We anticipate converting to the redesigned inner cartons in Q3.
4. Changes in appearance and performance of the wax.  
Action: The appearance from a dark chocolate color to a light caramel color results from batches of wax and is not the result of changes in compounds or performance.  
Completion: Although the color may vary, we continue to meet the ASTM D1500 Color scale customer specification range, as well as a stringent set of quality standards developed by Hercules and Oatey. Again, the performance of the wax is not affected by color.
5. New Hercules Johni Rings look smaller than the old Hercules product.  
Action: The new ring is ¼" taller, but ¼" narrower than the old Hercules ring, resulting in the perception that the new ring is smaller.  
Completion: The taller design was pursued to provide a better, more consistent seal.
6. The horn originally provided with several Johni-Ring gaskets was changed.  
Action: We are investigating options to utilize the previous Hercules horn or revise the current horn to more closely match the Hercules horn.  
Completion: There is not enough information at this time to provide an implementation date, but please know it is actively being pursued.

Thank you very much for your support.

Sincerely,

Nancy Smoot  
Product Manager